

Michael Gilman

From: <NNIKOLAY@aol.com>
To: <MGilman@kaplangilman.com>
Cc: <EZcount@aol.com>
Sent: Tuesday, March 16, 2004 12:30 AM
Subject: Re: Fw: New Data Generating Device Patent Application

Dear Mike,

Thank you for the e-mail and fax. I received them OK.
There are 17 drawings in this patents application. It would be extremely helpful to have them too. Could you please fax them to 718-657-0404 or e-mail images to my e-mail address.

Best regards,

Nikolay

In a message dated 3/15/2004 2:52:27 PM Pacific Standard Time, MGilman@kaplangilman.com writes:

Subj: Fw: New Data Generating Device Patent Application
Date: 3/15/2004 2:52:27 PM Pacific Standard Time
From: MGilman@kaplangilman.com
To: nnikolay@aol.com
CC: EZcount@aol.com
File: **Porco6-DataGen.for'795.zip** (28422 bytes) DL Time (48000 bps): <1 minute
Sent from the Internet

Nik,

I hope this gets through.

Mike

----- Original Message ----- **From:** Michael Gilman
To: Nikolay Nikolayev
Cc: Elliott Porco
Sent: Monday, March 15, 2004 4:44 PM
Subject: New Data Generating Device Patent Application

CONFIDENTIAL - ATTORNEY/CLIENT COMMUNICATION:

The information contained in this message and/or in any attachment hereto, is privileged and confidential. It is intended only to be read by the individual or entity named above or their designee. If the reader of this message is not the intended recipient, you are on notice not to read the message or any of the attachments, if any, and that any distribution of this message or any attachment, in any form, is strictly prohibited. If you have received this message in error, please immediately notify the sender by telephone at (732) 634-7634, or by e-mail at mgilman@kaplangilman.com, and delete or destroy any copy of this message and/or any attachment.

Dear Nik:

How are you?

Per Elliott's request, I am attaching hereto the patent application filed last Nov, 2003 for the above, along with the Declaration and POA and the Assignment we need for you to execute (the Assignment before a Notary

Public, if possible).

Once you have them executed, please send them either to Elliott or directly to me.

Thanks.

Very truly yours,

Michael R. Gilman
KAPLAN & GILMAN, LLP
900 U.S. Highway 9 North
Woodbridge, NJ 07095
(732) 634-7634
(732) 634-6887 fax
mgilman@kaplangilman.com
www.kaplangilman.com

Michael Gilman

From: <NNIKOLAY@aol.com>
To: <MGilman@kaplangilman.com>
Sent: Thursday, March 18, 2004 9:03 AM
Subject: Re: Drawings

Yes Mike,

I got the drawings. Now I need to allocated time to look at this. How different is this application from the original one? How scrupulous do I have to be or what do I have to pay my attention to in particular?
Forgot to ask you. What is that push-pull-data patent lost by USPTO? I have never seen that one. I think it could be a good idea to get it to me as well. I'll do both of them simultaneously. It is easier when it is fresh in my memory.

Regards,

Nikolay

In a message dated 3/18/2004 8:31:04 AM Eastern Standard Time, MGilman@kaplangilman.com writes:

Subj: Drawings
Date: 3/18/2004 8:31:04 AM Eastern Standard Time
From: MGilman@kaplangilman.com
To: nnikolay@aol.com
CC: EZcount@aol.com
Sent from the Internet

Nik,

You received the drawings. Correct?

Mike

SETTLEMENT AND DISSOLUTION AGREEMENT

This Settlement and Dissolution Agreement ("Agreement") is made and entered into this 31st day of December, 2001 (the "Effective Date"), between and among Nova Resolution Industries, Inc., a corporation organized under the laws of the State of New York ("Nova" or the "company"), with its principal place of business located at 1436 Williamsbridge Road, Bronx, New York 10461, Elliott Porco ("Porco") residing at 120 Vernon Drive, Scarsdale, NY 10583 and Nikolay Nikolayev ("Nikolayev") residing at 84-10 34th Ave., Jackson Heights, NY 11372.

WITNESSETH:

WHEREAS, Porco and Nikolayev (collectively the "individual parties") caused Nova to be formed on or about April 3, 1997;

WHEREAS the parties entered into an agreement entitled "Assignment of Patent Rights and Agreement" on September 28, 2000 relating to then pending U.S. Patent Application No. 09/420,357, now issued U.S. Patent No. 6,290,049 (the "September 28, 2000 Agreement");

WHEREAS it is hereby acknowledged that Nikolayev was President of Nova, and Porco its Vice-President and Secretary; and

WHEREAS, the individual parties desire to reach a final and complete settlement of all claims and disputes between them relative to their relationship and ownership interest in Nova and/or any and all assets of Nova, including, any and all patent and or trademark rights held by Nova;

NOW, THEREFORE, in consideration of the mutual covenants, agreements, and representations contained herein, the adequacy of which is hereby acknowledged, the parties hereto expressly and intentionally bind themselves as follows:

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2. PAYMENTS BY NOVA:

(a) Nova will pay Nikolayev the sum of The parties acknowledge that this payment is in consideration of the following:

- i. Contemporaneous surrender by Nikolayev of Nikolayev's share of the outstanding stock of the company to Porco;
- ii. All of Nikolayev's investments made into Nova;
- iii. Nikolayev's agreement herein to let Nova retain rights to the patents already owned by Nova and it's potential improvement Patent(s). These patents are listed in Exhibit A.
- iv. Nikolayev's agreement herein to assign and/or otherwise transfer over to Nova any and all rights Nikolayev may have in any invention developed by Nikolayev for Nova prior to the effective date of this Agreement.
- v. The releases granted and representations made by Nikolayev herein and of the other obligations undertaken by the parties.

26
Elliott Pono

Nikolayev 3-27-03 *Yann*
Elliott Pono

VENICE R. ARMSTRONG-CEDAR
Notary Public, State of New York
No. 41-4933760
Qualified in Queens County
Certificate Filed in New York County
Commission Expires 6/20/04

Tuesday, March 18, 2003

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14. WAIVERS; AMENDMENTS The failure of either party to require the performance of any term or obligation of this Agreement, or the waiver by either party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation and shall not be deemed a waiver of any subsequent breach. No modification or waiver of any provision of this Agreement shall be effective unless in writing and signed by both parties.

15 NO OTHER INDUCEMENTS

This Agreement sets forth the entire understanding of the parties in connection with the subject matter hereof. Any and all prior negotiations are merged in this Agreement.

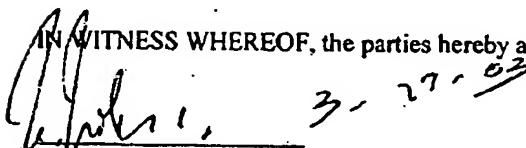
16. PERSONS BOUND BY THE AGREEMENT:

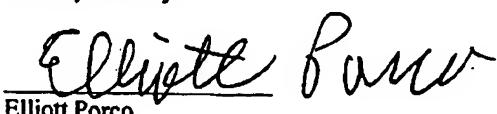
This Agreement shall be binding upon and inure to the benefit of Nikolayev, Porco and Nova and their respective successors and assigns.

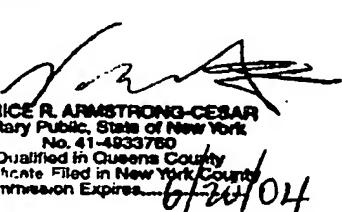
17. REPRESENTATION

The parties represent that, prior to executing this Agreement, they had the opportunity to review the provisions of this Agreement with counsel of their choice. The parties have read the foregoing Agreement and know its contents, and know that its terms are contractual and legally binding. The parties further agree that they enter this Agreement voluntarily and that they have not been pressured or coerced in any way into signing this Agreement.

IN WITNESS WHEREOF, the parties hereby agree.


Nikolay Nikolayev


Elliott Porco


VENICE R. ARMSTRONG-CEASAR
Notary Public, State of New York
No. 41-4933780
Qualified in Queens County
Certificate Filed in New York County
Commission Expires 07/26/04

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